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FOR RELEASE ON RECEIPT  
Wednesday, September 24, 1969

from:  
YARANDRY SILVER MINES LIMITED  
Suite 1024, 85 Richmond Street, West  
Toronto 1, Ontario

YARANDRY SILVER MINES REPORTS PROGRESS  
ON AUSTRALIAN SILVER-LEAD PROPERTY

Completion of the first stage of exploration on the Australian silver-lead property of Yarandry Silver Mines Limited is reported by T. Budzich, president.

Two former producing mines, Silver Peak and Wollondilly situated in the Yerranderie district have been dewatered, partially rehabilitated and old workings examined.

Under the supervision of T. Scott, geologist with Watts, Griffis and McOuat Limited, the company's consultants, a total of 4,860 feet of diamond drilling was carried out in the vicinity of Colon Peaks - Silver Peak mines.

Assay results of two holes drilled in the central section are: Hole Y-6, 220.4 oz. of silver and 19.2% lead over a core length of 1.25 feet; Hole Y-7, 91.1 oz. of silver, 0.20 oz. of gold and 11.7% lead over 0.8 ft.

These results indicate 30,000 short tons grading 45.6 oz. of silver and 5.9% lead across a width of three feet in the central section, the consultant reports.

An intersection in the western section also indicated the presence of possible ore grade material. Core assay of Hole Y-3 showed 56.4 oz. of silver, 0.08 oz. of gold and 6.10% lead over 0.65 ft.

Further exploration comprising 11,000 ft. of diamond drilling has been recommended by the consultants. The purpose of the new program is to establish in central and western sections reserves around 250,000 tons, Mr. Budzich said.

An additional 3,000 feet of exploratory drilling is proposed in the Kerry shaft -- Silver King tunnel area.





# YARANDRY SILVER MINES LIMITED

## INFORMATION CIRCULAR

This circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Yarandry Silver Mines Limited (hereinafter called the "Company") for use at the Annual and General Meeting of the shareholders of the Company to be held at the Royal York Hotel, Toronto, Ontario, on Tuesday, the 29th day of April, 1969, for the purposes set forth in the Notice of Meeting. It is expected that such solicitation will be primarily by mail. Proxies may also be solicited personally by regular employees of the Company at nominal cost. The cost of solicitation by or on behalf of the management will be borne by the Company.

### RIGHT OF REVOCATION

A shareholder executing the enclosed proxy has the power to revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing deposited either at the head office of the Company at any time up to and including the last business day preceding the day of the meeting or any adjournment thereof at which the proxy is to be used or with the chairman of such meeting on the day of the meeting or adjournment thereof, and upon either of such deposits the proxy is revoked.

### VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Only shareholders of the Company of record at the time of the meeting will be entitled to vote at such meeting. The shareholders of the Company are entitled to one vote in respect of each share held at such time. The Company has only one class of shares. At March 31st, 1969 the Company had outstanding 2,450,005 shares without par value, all fully paid.

To the knowledge of the directors or senior officers of the Company no person or company beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all shares of the Company.

### INCREASE IN CAPITAL

It is proposed that the Company will apply for supplementary letters patent under the laws of Ontario to increase the authorized capital from the present 3,000,000 shares without par value to 5,000,000 shares without par value by creation of 2,000,000 additional shares without par value and ranking equally with existing shares to provide for further equity financing if and when required. Shareholders will be asked to consider and, if thought fit, confirm the resolution of the directors passed on March 13th, 1969 authorizing an application for such supplementary letters patent. In order to become effective the resolution of the directors must be confirmed by at least two-thirds of the votes cast by shareholders at the forthcoming meeting.

### INCREASE IN NUMBER OF DIRECTORS

The shareholders will be asked to vote on the confirmation of a resolution of the directors providing for increasing the number of directors from five to six and fixing the quorum of directors at three. The purpose of this resolution is to provide greater flexibility in the Board. In order to become effective the resolution of the directors must be confirmed by at least two-thirds of the votes cast by shareholders at the forthcoming meeting.

### ELECTION OF DIRECTORS

At the present time the number of directors is fixed at five and there are presently five directors of the Company holding office. Shares represented by the proxies hereby solicited shall be voted for the election as directors of the six nominees whose names are set forth herein. The management does not contemplate that any nominee will be unable or unwilling to serve as a director, but if for any reason this should occur



prior to the meeting, it is intended that the persons named in the proxies solicited by management shall reserve the right to vote for another person of their choice in his place and stead. The management is not presently aware that any such nominees will be unwilling to serve as a director if elected.

Mr. Tadeusz Budzich is President and Mr. Sam Taylor is Secretary-Treasurer of the Company at present.

The following are the nominees to serve as directors until the next Annual Meeting of Shareholders or until their successors are duly elected or appointed.

#### INFORMATION CONCERNING NOMINEES AS DIRECTORS

| Name and Principal Occupation   | Period(s) served<br>as a Director | Shares beneficially owned<br>directly or indirectly* |
|---|-----------------------------------|--|
| TADEUSZ BUDZICH<br>Consulting Engineer, Moreland Hills, Ohio, U.S.A.  | Since 1967                        | 111,230  |
| ARNOLD PITT<br>President, New Imperial Mines Limited, Toronto,<br>Ontario   | Since 1967                        | 110,989  |
| RUSSEL HENRY BULLIED<br>President, Cascade Drilling Co. Ltd. and Pacific<br>Asbestos Limited, Calgary, Alberta            | Since 1967                        | 80,251   |
| RAYMOND ERROL GREENE DUVAL<br>University Professor and Management Consultant,<br>Bishop's University, Lennoxville, Quebec | Since 1967                        | 1  |
| SAM TAYLOR, F.C.I.S.<br>Chartered Secretary, Partner, Taylor and Robson,<br>Corporation Secretaries, Toronto, Ontario     | Since 1968                        | 1  |
| FRANK A. RUSH<br>Barrister, Partner, Thomson, Rogers, Barristers<br>and Solicitors, Toronto, Ontario                      | —                                 | 7,000  |

\*NOTE: The information as to shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective nominees individually.

If the resolution providing for the increase in the number of directors from five to six is duly confirmed at the Annual and General Meeting of shareholders, the shareholders will be asked to vote to elect a full board of six directors to act until the next Annual Meeting of Shareholders or until their successors are elected or appointed. In such event the foregoing will be nominees of management; however, if the resolution of the directors is not confirmed, shareholders will be asked to vote to elect a full board of five directors to act until the next Annual Meeting of Shareholders or until their successors are elected or appointed and in which event it is the intention that such proxies will be voted for the election of the five nominees who are now members of the Board.

All of the foregoing except Frank A. Rush are presently directors of the Company.

#### REMUNERATION OF MANAGEMENT

No remuneration was paid or payable in the year ended October 31, 1968 to the directors and senior officers of the Company as such. During the current financial year no remuneration will be paid to officers and directors as such but Head Office, secretarial and accounting services fees will be paid at the rate of \$300.00 per month, effective January 1, 1969, to Taylor & Robson, Suite 1024, 85 Richmond Street West, Toronto, Ontario, of which firm Mr. Taylor, the Secretary-Treasurer of the Company is a partner.

#### INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

During the past year, Forward Explorations Limited ("Forward") formerly the recorded and beneficial holder of 326,000 shares in the capital stock of the Company applied for and was granted permission by the



Ontario Securities Commission to distribute the said shares to its directors and shareholders pursuant to a contemplated wind-up of the affairs of Forward. As a result Messrs. Budzich and Pitt who are directors of the Company as well as directors of Forward received the following free and escrowed shares from Forward:

| <u>Name</u>     | <u>Escrowed Shares</u> | <u>Free Shares</u> |
|-----------------|------------------------|--------------------|
| Tadeusz Budzich | 60,601                 | 11,928             |
| Arnold Pitt     | 60,416                 | 11,872             |

### APPOINTMENT OF AUDITORS

It is intended to vote the proxy to appoint the firm of Riddell, Stead & Co., Chartered Accountants, of Toronto, as the auditors of the Company to hold office until the next Annual Meeting of Shareholders. Riddell, Stead, Graham & Hutchison, predecessors to Riddell, Stead & Co., have been auditors of the Company since 1965.

### GENERAL

The management knows of no matters to come before the meeting other than the matters referred to in the Notice of Meeting. If any matters which are not now known should properly come before the meeting, the accompanying proxy instrument will be voted on such matters in accordance with the best judgment of the person voting it. Discretionary authority necessary in such event, and in the event of any amendments or variations of matters identified in the Notice of Meeting, is conferred by any person giving the proxy to management.

### MANNER OF VOTING PROXIES

THE SHARES REPRESENTED BY PROXIES RECEIVED BY THE MANAGEMENT WILL BE VOTED. IT IS INTENDED THAT THE ACCOMPANYING INSTRUMENT OF PROXY, IF SIGNED, DATED AND RETURNED TO THE COMPANY PRIOR TO THE MEETING AND COMPLETED IN THE NAMES OF THE PERSONS THEREIN NAMED, WILL BE VOTED FOR THE ELECTION OF DIRECTORS AND IN FAVOUR OF THE APPOINTMENT OF AUDITORS AFORESAID, ALL AS SET FORTH ABOVE.

THE INSTRUMENT OF PROXY FORM AFFORDS SHAREHOLDERS RECEIVING THE SAME THE OPPORTUNITY TO SPECIFY A CHOICE WITH RESPECT TO ITEMS 1 AND 2 SET OUT IN THE NOTICE OF MEETING. WHERE THE PERSON OR COMPANY WHOSE PROXY IS SOLICITED SPECIFIES A CHOICE WITH RESPECT TO SUCH MATTER, THE SHARES REPRESENTED BY THE PROXY SHALL (SUBJECT TO SECTION 75(f) OF THE CORPORATIONS ACT) BE VOTED IN ACCORDANCE WITH THE SPECIFICATIONS SO MADE. WHERE A CHOICE IS NOT SPECIFIED, IT IS THE INTENTION OF MANAGEMENT TO VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF CONFIRMATION OF THE RESOLUTIONS SET OUT THEREIN. DISCRETIONARY AUTHORITY FOR SO DOING IS UNDERSTOOD TO HAVE BEEN CONFERRED UPON MANAGEMENT BY THE PERSON GIVING THE PROXY.

THE PERSONS NAMED IN THE ACCOMPANYING INSTRUMENT OF PROXY ARE OFFICERS OF THE COMPANY. A SHAREHOLDER HAS THE RIGHT TO APPOINT ANY PERSON OTHER THAN THOSE NAMED TO REPRESENT HIM AT THE MEETING. IF SO DOING AND USING THE ACCOMPANYING INSTRUMENT OF PROXY, HE SHOULD STRIKE OUT THE PRINTED NAMES AND INSERT THE NAME OF HIS NOMINEE IN THE SPACE PROVIDED THEREFOR. A SHAREHOLDER MAY SUBMIT ANY OTHER APPROPRIATE INSTRUMENT OF PROXY.

DATED as of this 31st day of March, 1969.

THE SECRETARY OF THE  
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